

**Dorothy Menasco**

---

**From:** Rhonda Dulgar [rdulgar@yvlaw.net]  
**Sent:** Friday, November 02, 2007 4:00 PM  
**To:** Beth Keating; James Meza; James D. Beasley; Lee L. Willis; Jeffrey Stone; Russell Badders; Nancy Sims; Charles Falcone; Richard Jackson; Maria Browne; Susan Masterton; Bill Walker; John T. Butler; Douglas Sale; Martin Rollins; Gene Adams; John T. Burnett; Paul Lewis, Jr.; Adam Teitzman; Filings@psc.state.fl.us; Katherine Fleming; Keino Young; Lisa Bennett; Lorena Holley; Susan Ritenour; Paula Brown; Donald Hubbs; Thomas Bradford; David Christian; Dulaney O'Roark; Dennis Hayward; Schef Wright  
**Subject:** Electronic Filing - Docket 070301-EI  
**Attachments:** MUUC.PHS.11-2-07.doc

a. Person responsible for this electronic filing:

John T. LaVia, III  
 Young van Assenderp, P.A.  
 225 South Adams Street, Suite 200  
 Tallahassee, FL 32301  
 (850) 222-7206  
[jlavia@yvlaw.net](mailto:jlavia@yvlaw.net)

b. Docket No. 070301-EI

In Re: Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Florida Power & Light Company.

c. Document being filed on behalf of the Town of Jupiter Island, Florida, the Town of Palm Beach, Florida and the Municipal Underground Utilities Consortium.

d. There are a total of 11 pages.

e. The document attached for electronic filing the Posthearing Statement of the Town of Jupiter Island, Florida, the Town of Palm Beach, Florida, and the Municipal Underground Utilities Consortium.

(see attached file: MUUC.PHS.11-2-07.doc)

Thank you for your attention and assistance in this matter.

Rhonda Dulgar  
 Secretary to Jay LaVia  
 Phone: 850-222-7206  
 FAX: 850-561-6834

DOCUMENT NUMBER DATE

10014 NOV-2 8

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Tampa Electric Company.	DOCKET NO. 070297-EI
In re: Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Progress Energy Florida, Inc.	DOCKET NO. 070298-EI
In re: Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Gulf Power Company.	DOCKET NO. 070299-EI
In re: Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Florida Power & Light Company.	DOCKET NO. 070301-EI FILED: NOVEMBER 2, 2007

POSTHEARING STATEMENT OF THE TOWN OF JUPITER ISLAND, FLORIDA, THE TOWN OF PALM BEACH, FLORIDA, AND THE MUNICIPAL UNDERGROUND UTILITIES CONSORTIUM

Pursuant to Commission Order No. PSC-07-0573-PCO-EI, issued July 10, 2007, and Rule 28-106.215, Florida Administrative Code ("F.A.C."), the Town of Jupiter Island, Florida, the Town of Palm Beach, Florida, and the Municipal Underground Utilities Consortium (collectively referred to herein as the "MUUC") hereby file their Posthearing Statement of Issues and Positions.<sup>1</sup>

<sup>1</sup> The following abbreviations are used in this brief. The Florida Public Service Commission is referred to as the "Commission" or the "PSC." Florida Power & Light Company is referred to as "FPL." Overhead electric distribution facilities are abbreviated as "OH" facilities, and underground electric distribution facilities are referred to as "UG" facilities. Citations to the hearing transcript are in the format [TR abc], where abc indicates the page number cited to. Citations to hearing exhibits are in the format [EXH jkl, xyz], where jkl indicates the exhibit

DOCUMENT NUMBER-DATE

10014 NOV-25

FPSC-COMMISSION CLERK

## INTRODUCTION AND SUMMARY

This docket is the Commission's proceeding to consider FPL's Storm Hardening Plan ("Plan") filed pursuant to Commission Rule 25-6.0342, F.A.C. The first section of the applicable rules declares that the purpose of the rules is to "require the cost-effective strengthening of critical electric infrastructure to increase the ability of transmission and distribution facilities to withstand extreme weather conditions; and reduce restoration costs and outage times to end-use customers associated with extreme weather conditions." Rule 25-6.0342(2), F.A.C. requires Florida's investor-owned utilities, including FPL, to file their Plans and declares the Commission's standard of review for such plans as follows:

In a proceeding to approve a utility's plan, the Commission shall consider whether the utility's plan meets the desired objectives of enhancing reliability and reducing restoration costs and outage times in a prudent, practical, and cost-effective manner.

Thus, in this proceeding, the Commission is called upon to approve or deny FPL's Storm Hardening Plan, filed pursuant to Commission Rule 25-6.0342, F.A.C. FPL's Plan addresses the requisite items set forth in the Commission's rules, and FPL's Plan is practical, as far as it goes. In particular, FPL's Plan deserves credit for moving to Extreme Wind Loading criteria for new distribution and for major reconstruction, relocation, and refurbishment work. However, the MUUC believes that additional efforts, especially with regard to encouraging and implementing underground facilities – particularly in high-density areas – would be cost-effective and therefore prudent. Because FPL's Plan does not provide adequate analysis of the costs and benefits of undergrounding as a hardening technology, as compared to alternate overhead construction modes – to Extreme Wind Loading criteria in FPL's case – the MUUC believes that FPL's Plan

---

number and xyz indicates the page number of the exhibit cited to, if applicable. References to the Florida Statutes are to the 2007 edition thereof.

cannot be said to be demonstrably prudent or cost-effective. Accordingly, the MUUC respectfully asks the Commission not to approve FPL's Storm Hardening Plan.

**THE MUUC'S STATEMENT OF POSITIONS ON SPECIFIC ISSUES**

**Docket No. 070301-EI – Florida Power & Light Company (FPL)**

**ISSUE 40:** Does the Company's Plan address the extent to which, at a minimum, the Plan complies with the National Electric Safety Code (ANSI C-2) [NESC] that is applicable pursuant to subsection 25-6.0345(2), F.A.C.? [Rule 25-6.0342(3)(a)]

**MUUC POSITION:** \*Yes.\*

**ISSUE 41:** Does the Company's Plan address the extent to which the extreme wind loading standards specified by Figure 250-2(d) of the 2007 edition of the NESC are adopted for new distribution facility construction? [Rule 25-6.0342(3)(b)l]

**MUUC POSITION:** \*Yes.\*

**ISSUE 42:** Does the Company's Plan address the extent to which the extreme wind loading standards specified by Figure 250-2(d) of the 2007 edition of the NESC are adopted for major planned work on the distribution system, including expansion, rebuild, or relocation of existing facilities, assigned on or after the effective date of this rule distribution facility construction? [Rule 25-6.0342(3)(b)2]

**MUUC POSITION:** \*Yes, FPL's Plan addresses this subject. However, the MUUC believes that any section above a certain minimum number of poles (to be determined) should be upgraded to EWL standards when being rebuilt, rather than rebuilt only to its existing design level.\*

**ISSUE 43:** Does the Company's Plan address the extent to which the extreme wind loading standards specified by Figure 250-2(d) of the 2007 edition of the NESC are adopted for distribution facilities serving critical infrastructure facilities and along major thoroughfares taking into account political and geographical boundaries and other applicable operational considerations? [Rule 256.0342(3)(b)3]

**MUUC POSITION:** \*Yes.\*

**ISSUE 44:** Does the Company's Plan address the extent to which its distribution facilities are designed to mitigate damage to underground and supporting overhead transmission and distribution facilities due to flooding and storm surges? [Rule 25-6.0342(3)(c)]

**MUUC POSITION:** \*No. FPL's Plan does not adequately address underground design issues, nor does it provide adequate analysis of the costs and benefits of undergrounding as a hardening technology, as compared to alternate construction modes.\*

**ISSUE 45:** Does the Company's Plan address the extent to which the placement of new and replacement distribution facilities facilitate safe and efficient access for installation and maintenance pursuant to Rule 25- 6.0341, F.A.C? [Rule 25-6.0342(3)(d)]

**MUUC POSITION:** \*While the MUUC believes that facility placement is not addressed clearly in FPL's Plan, the MUUC notes that FPL's Storm Secure initiative favors the use of rights-of-way for the location of facilities.\*

**ISSUE 46:** Does the Company's Plan provide a detailed description of its deployment strategy including a description of the facilities affected; including technical design specifications, construction standards, and construction methodologies employed? [Rule 25-6.0342(4)(a)]

**MUUC POSITION:** \*Yes, especially FPL's Addendum for Extreme Wind Loading to its Distribution Engineering Reference Manual.\*

**ISSUE 47:** Does the Company's Plan provide a detailed description of the communities and areas within the utility's service area where the electric infrastructure improvements, including facilities identified by the utility as critical infrastructure and along major thoroughfares pursuant to subparagraph (3)(b)3. are to be made? [Rule 25-6.0342(4)(b)]

**MUUC POSITION:** \*No. FPL's Plan includes a one-page list of "circuits planned for hardening to EWL" by county and by identity of the customer. This information includes no description of the communities or the areas served by the circuits, nor of the circuits themselves.\*

**ISSUE 48:** Does the Company's Plan provide a detailed description of the extent to which the electric infrastructure improvements involve joint use facilities on which third-party attachments exist? [Rule 25-6.0342(4)(c)]

**MUUC POSITION:** \*No.\*

**ISSUE 49:** Does the Company's Plan provide an estimate of the costs and benefits to the utility of making the electric infrastructure improvements, including the effect on reducing storm restoration costs and customer outages? [Rule 25-6.0342(4)(d)]

**MUUC POSITION:** \*No. FPL's Plan does not adequately address the total costs and benefits of storm hardening, especially as regards the use of undergrounding as a hardening technique or technology.\*

**ISSUE 50:** Does the Company's Plan provide an estimate of the costs and benefits, obtained pursuant to subsection (6) below, to third-party attachers affected by the electric infrastructure improvements, including the effect on reducing storm restoration costs and customer outages realized by the third-party attachers? [Rule 25-6.0342(4)(e)]

**MUUC POSITION:** \*Yes. FPL's Plan reports costs as reported to FPL by ATT and Embarq, and the attachers' generic recognition of storm hardening benefits, but its Plan cannot be said to adequately provide an estimate of the benefits to third-party attachers of storm hardening efforts.\*

**ISSUE 51:** Does the Company's Plan include written Attachment Standards and Procedures addressing safety, reliability, pole loading capacity, and engineering standards and procedures for attachments by others to the utility's electric transmission and distribution poles that meet or exceed the edition of the National Electrical Safety Code (ANSI C-2) that is applicable pursuant to Rule 25-6.034, F.A.C.? [Rule 25-6.0342(5)]

**MUUC POSITION:** \*Yes.\*

**ISSUE 52:** Based on the resolution of the preceding issues, should the Commission find that the Company's Plan meets the desired objectives of enhancing reliability and reducing restoration costs and outage times in a prudent, practical, and cost-effective manner to the affected parties? [Rule 25-6.0342(1) and (2)]

**MUUC POSITION:** \*No. FPL's Plan is practical, as far as it goes. However, the MUUC believes that additional efforts, especially with regard to encouraging and implementing underground facilities would be cost-effective and therefore prudent.\*

### **DISCUSSION**

The following provides additional commentary and discussion on several of the above issues. As a preliminary matter, the MUUC wishes to clear up an underlying factual issue that arose during the hearing, namely the strength of Hurricane Wilma when it impacted Florida.

#### **Hurricane Wilma**

As Hurricane Wilma churned off the coast of the Yucatan Peninsula, before heading eastward and impacting Florida, the storm was the most powerful storm ever measured in the

Atlantic Basin. However, by the time it reached Florida, it had weakened to the point that no official reporting station on mainland Florida or in the Florida Keys reflected a wind speed greater than Category 1. Several unofficial reporting stations indicated wind speeds in the Category 2 range, and the National Hurricane Center's Tropical Cyclone Report for Wilma, Exhibit 49, "concluded that most of the southeastern Florida peninsular experienced at least category 1 conditions, and that some parts of northern Miami-Dade County, Broward, and Palm Beach Counties likely had category 2 hurricane conditions." This storm was not, however, as asserted by FPL's witness Manuel Miranda, a "category 3" storm in Florida.

**ISSUE 42:** Does the Company's Plan address the extent to which the extreme wind loading standards specified by Figure 250-2(d) of the 2007 edition of the NESC are adopted for major planned work on the distribution system, including expansion, rebuild, or relocation of existing facilities, assigned on or after the effective date of this rule distribution facility construction? [Rule 25-6.0342(3)(b)2]

**Discussion**

FPL's Plan addresses this subject. However, the "incremental hardening" component of FPL's Plan appears to indicate that an existing line that is built to less-than-EWL standards would only be rebuilt to its existing wind-speed rating, e.g., 100 MPH; the MUUC believes that any section above a certain minimum number of poles (to be determined) should be upgraded to EWL standards when being rebuilt, rather than rebuilt only to its existing design level. Additionally, the MUUC believes that FPL's use of the extreme wind loading criteria in all of the above work situations could be stated more clearly in FPL's Plan.

**ISSUE 45:** Does the Company's Plan address the extent to which the placement of new and replacement distribution facilities facilitate safe and efficient access for installation and maintenance pursuant to Rule 25- 6.0341, F.A.C? [Rule 25-6.0342(3)(d)]

## **Discussion**

While the MUUC believes that facility placement is not addressed clearly in FPL's Plan, the MUUC notes that FPL's Storm Secure initiative favors the use of rights-of-way for the location of facilities and also notes that FPL has been working with MUUC representatives toward a right-of-way agreement for the installation of underground facilities pursuant to FPL's Governmental Adjustment Factor tariffs. The MUUC understands FPL's Plan to intend its implementation within the policy principles set forth in FPL's Storm Secure initiative.

**ISSUE 47:** Does the Company's Plan provide a detailed description of the communities and areas within the utility's service area where the electric infrastructure improvements, including facilities identified by the utility as critical infrastructure and along major thoroughfares pursuant to subparagraph (3)(b)3. are to be made? [Rule 25-6.0342(4)(b)]

## **Discussion**

FPL's Plan includes a one-page list of "circuits planned for hardening to EWL" by county and by identity of the customer. This information includes no description of the communities or the areas served by the circuits, nor of the circuits themselves. This limited information is inadequate for city officials to understand the areas affected and the circuits involved, and FPL's Plan should be expanded to include the detailed information required by the Rule; this information is also required for local government officials to understand what work is actually contemplated and to make meaningful decisions (e.g., relative to undergrounding or other planning decisions) relative to the work.

**ISSUE 49:** Does the Company's Plan provide an estimate of the costs and benefits to the utility of making the electric infrastructure improvements, including the effect on reducing storm restoration costs and customer outages? [Rule 25-6.0342(4)(d)]

## **Discussion**

FPL's Plan does not adequately address the total costs and benefits of storm hardening, especially as regards the use of undergrounding as a hardening technique or technology. However, in Docket No. 060150-EI, FPL did prepare an economic analysis of projected storm restoration cost savings from undergrounding. Although FPL has represented that it is working to provide its estimates of savings from other operational cost considerations, pursuant to the Commission's rules, and although Mr. Miranda stated that FPL is working on this [TR 215-16], the MUUC and its members are still awaiting this information.

**ISSUE 52:** Based on the resolution of the preceding issues, should the Commission find that the Company's Plan meets the desired objectives of enhancing reliability and reducing restoration costs and outage times in a prudent, practical, and cost-effective manner to the affected parties? [Rule 25-6.0342(1) and (2)]

### **Discussion**

FPL's Plan is practical, as far as it goes. However, the MUUC believes that additional efforts, especially with regard to encouraging and implementing underground facilities – particularly in high-density areas – would be cost-effective and therefore prudent, and since FPL's Plan does not provide adequate analysis of the costs and benefits of undergrounding as a hardening technology, as compared to alternate construction modes – EWL in FPL's case – the MUUC believes that FPL's Plan cannot be said to be demonstrably prudent or cost-effective. In simple terms, FPL's Storm Secure initiative, EXH 46, offers the promise of substantial encouragement of undergrounding, but the MUUC has been less than impressed with FPL's follow-through on the pro-undergrounding initiatives announced in the Storm Secure program.

Respectfully submitted this 2nd day of November, 2007.

S/John T. LaVia, III

Robert Scheffel Wright

John T. LaVia, III

Young van Assenderp, P.A.

225 South Adams Street, Suite 200

Tallahassee, Florida 32301

Telephone (850)222-7206

Facsimile (850)561-6834

Attorneys for the Town of Palm Beach, Florida,  
The Town of Jupiter Island, Florida, and the  
Municipal Underground Utilities Consortium

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Tampa Electric Company.	DOCKET NO. 070297-EI
In re: Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Progress Energy Florida, Inc.	DOCKET NO. 070298-EI
In re: Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Gulf Power Company.	DOCKET NO. 070299-EI
In re: Review of 2007 Electric Infrastructure Storm Hardening Plan filed pursuant to Rule 25-6.0342, F.A.C., submitted by Florida Power & Light Company.	DOCKET NO. 070301-EI FILED: NOVEMBER 2, 2007

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the POSTHEARING STATEMENT OF THE TOWN OF JUPITER ISLAND, FLORIDA, THE TOWN OF PALM BEACH, FLORIDA, AND THE MUNICIPAL UNDERGROUND UTILITIES CONSORTIUM was furnished to the following, by electronic and U.S. Mail, on this 2nd day of November, 2007.

John Burnett, Esq.  
Attorney for Progress Energy Florida, Inc.  
P.O. Box 14042  
St. Petersburg, FL 33733-4042

Beggs & Lane Law Firm  
J. Stone/R. Badders/S. Griffin, Esquires  
Attorneys for Gulf Power Company  
P.O. Box 12950  
Pensacola, FL 32591

Progress Energy Florida, Inc.  
Mr. Paul Lewis, Jr.  
106 E. College Avenue  
Suite 800  
Tallahassee, FL 32301-7740

Ausley Law Firm  
Lee L. Willis and James Beasley, Esquires  
Attorneys for Tampa Electric Company  
P.O. Box 391  
Tallahassee, FL, 32302

Dulaney L. O’Roark III, General Counsel  
Southeast Region Verizon  
6 Concourse Parkway, Suite 600  
Atlanta, GA 30328

James Meza III and Jennifer S. Kay, Esquires  
c/o Nancy H. Sims, Esquire  
Attorneys for AT&T& TCG  
150 South Monroe Street, Ste. 400  
Tallahassee, FL 32301

Maria T. Browne, Esquire  
Davis Wright Tremaine LLP  
Attorney for FCTA  
1919 Pennsylvania Ave., NW, Suite 200  
Washington, D.C. 20006

Beth Keating, Esquire  
Akerman Senterfitt  
Attorney for FCTA  
106 East College Ave., Suite 1200  
Tallahassee, FL 32301

Florida Power & Light Company  
John T. Butler, Esquire  
700 Universe Blvd.  
Juno Beach, FL, 33408-0420

Katherine Fleming, Senior Attorney  
Keino Young, Senior Attorney  
Lisa Bennett, Senior Attorney  
Florida Public Service Commission  
Gerald L. Gunter Building  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Florida Power & Light Company  
Mr. Bill Walker  
215 South Monroe Street, Suite 810  
Tallahassee, FL 32301-1859

Tampa Electric Company  
Ms. Paula K. Brown  
Regulatory Affairs  
P.O. Box 111  
Tampa, FL 33601-0111

Verizon Florida LLC  
Mr. David Christian  
106 East College Avenue, Suite 710  
Tallahassee, FL 32301-7721

Embarq Florida, Inc.  
Susan S. Masterton  
Mailstop: FLTLHO0102  
1313 Blairstone Road  
Tallahassee, FL 32301

Gulf Power Company  
Ms. Susan D. Ritenour  
One Energy Place  
Pensacola, FL 32520-0780

Harrison Sale Law Firm  
Douglas J. Sale  
P.O. Drawer 1579  
Panama City, FL 32402-1579

S/John T. LaVia, III  
Attorney